

**DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**

**COMMAND AUDIT OF THE  
GARBERVILLE AREA**



**FINAL REPORT**

**AUGUST 24, 2010**

**M e m o r a n d u m**

Date: August 24, 2010

To: Office of the Commissioner  
Attention: Commissioner J. A. Farrow

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**  
Office of Inspector General

File No.: 010.13424.A13471

Subject: FINAL 2009 COMMAND AUDIT REPORT OF THE GARBERVILLE AREA

In accordance with the Institute of Internal Auditors, *International Standards for the Professional Practice of Internal Auditing* §2440, issued by the Institute of Internal Auditors, Government Code §13887(a)(2), and the California Highway Patrol (CHP) Audit Charter, I am issuing the 2009 Command Audit Report of the Garberville Area. The audit focused on the command's Driving Under the Influence and Asset Forfeiture Programs.

The audit revealed the command has adequate operations. However, some issues were observed. This report presents suggestions for management to improve on some of its operations. In doing so, operations would be strengthened and the command would ensure it is operating in compliance with policies and procedures. We have included our specific findings, recommendations, and other pertinent information in the report. The Garberville Area agreed with all of the findings and plans to take corrective action to improve its operations.

The Garberville Area will be required to provide a 30 day, 60 day, six month, and one year response on its corrective action plan implementation. If identified issues are resolved and addressed during any phase of the above reporting period, no future action is required on their behalf. Also, the Office of Inspector General plans on conducting a follow-up review within one year from the date of the final report.

Additionally, in accordance with the *International Standards for the Professional Practice of Internal Auditing* and Government Code §13887(a)(2), this report, the response, and any follow-up documentation is intended for the Office of the Commissioner; Assistant Commissioner, Field; Office of Inspector General; Office of Legal Affairs; Northern Division; and the Garberville Area. Please note this report restriction is not meant to limit distribution of the report, which is a matter of public record pursuant to Government Code §6250 et seq.

In accordance with the Governor's Executive Order S-20-09 to increase government transparency, the final audit report, including the response to the draft audit report, will be posted on the CHP's internet website, and on the Office of the Governor's webpage, located on the State's Government website.

***Safety, Service, and Security***

Office of the Commissioner

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The Office of Inspector General would like to thank the Garberville Area's management and staff for their cooperation during the audit. If you need further information, please contact Captain Bob Jones at (916) 843-3160.

A handwritten signature in blue ink, appearing to read "E. Sanchez", followed by the letters "FOR" in a similar style.

E. SANCHEZ, Captain  
Interim Inspector General

cc: Assistant Commissioner, Field  
Northern Division  
Garberville Area  
Office of Legal Affairs  
Office of Inspector General, Audits Unit

*BUSINESS, TRANSPORTATION AND HOUSING AGENCY*

*DEPARTMENT OF CALIFORNIA HIGHWAY PATROL*

*COMMAND AUDIT OF THE GARBERVILLE AREA*

*OFFICE OF INSPECTOR GENERAL*

*AUGUST 24, 2010*

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# EXECUTIVE SUMMARY

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The Commissioner has the responsibility, by statute, to enforce laws regulating the operation of vehicles and use of highways in the State of California and to provide the highest level of safety, service, and security to the people of California. Consistent with the California Highway Patrol's (CHP) 2009 Audit Plan, the Office of the Commissioner directed the Office of Inspector General to perform an audit of the Garberville Area.

The CHP's 2008-2010 Strategic Plan highlights the mission statement which includes five broad strategic goals designed to guide the CHP's direction. One strategic goal is to continuously look for ways to improve the efficiency and effectiveness of departmental operations.

The objective of the audit is to determine if the command has complied with operational policies and procedures regarding the Driving Under the Influence (DUI) Cost Recovery and Asset Forfeiture Programs. Additionally, this audit will provide managers with reasonable, but not absolute, assurance that departmental operations are being properly executed. The audit period was from January 1, 2008 through July 31, 2009. However, primary testing was performed of business conducted during the period January 1, 2008 through June 30, 2009. The audit included a review of existing policies and procedures, as well as examining and testing recorded transactions to determine compliance with established policies, procedures, and good business practices. The audit field work was conducted from August 10 - 14, 2009.

Sample selection for this audit was primarily random. However, if a judgmental sample was necessary, the auditor selected accordingly. Whenever possible, the use of risk assessment was used to select a sample containing the highest probability of risk to the command.

Based on the review of the Garberville Area's operations, this audit revealed the Garberville Area has complied with most operational policies. However, some issues were observed. The following is a summary of the identified issues:

## **DUI Cost Recovery Program**

- The command did not always properly complete their DUI Cost Recovery Program documents.

## **Asset Forfeiture Program**

- The command did not review and forward copies of Memorandums of Understanding to their Division annually.
- The command did not receive Asset Forfeiture (AF) training from the Division AF Coordinator at least once a year.
- The command did not provide AF training to Area supervisors, officers, and affected non-uniformed personnel at least once a year.

Please refer to the Findings and Recommendations section for detailed information.

# AUDIT REPORT

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## INTRODUCTION

To ensure the California Highway Patrol's (CHP) operation is efficient and effective and internal controls are in place and operational, the Office of the Commissioner directed the Office of Inspector General to perform an audit of the Garberville Area.

The CHP's 2008-2010 Strategic Plan highlights the mission statement which includes five broad strategic goals designed to guide the CHP's direction. One strategic goal is to continuously look for ways to improve the efficiency and effectiveness of departmental operations. This audit will assist the CHP in meeting its goal.

## OBJECTIVE AND SCOPE

The objective of the audit is to determine if the command has complied with operational policies and procedures regarding the Driving Under the Influence (DUI) Cost Recovery and Asset Forfeiture Programs that provide managers with reasonable, but not absolute, assurance departmental operations are being properly executed. The audit period was from January 1, 2008 through July 31, 2009. However, primary testing was performed of business conducted during the period of January 1, 2008 through June 30, 2009. This audit included the review of existing policies and procedures, as well as examining and testing recorded transactions to determine compliance with established policies, procedures, and good business practices. The audit field work was conducted from August 10 - 14, 2009.

## METHODOLOGY

Under the direction of the Office of the Commissioner, each command was randomly selected to be audited regarding its DUI Cost Recovery and Asset Forfeiture Programs. Sample selection of areas to be audited was primarily random or judgmental. Whenever possible, the use of risk assessment was used to select a sample containing the highest probability of risk to the command.

There were no prior audit reports and findings of this command.

## OVERVIEW

**DUI Cost Recovery Program:** The command complied with most state laws and departmental policies and has adequate internal controls regarding the DUI Cost Recovery Program. However, the command did not always properly complete their DUI Cost Recovery Program documents.

**Asset Forfeiture Program:** The command complied with state laws and most departmental policies and has adequate internal controls regarding the Asset Forfeiture (AF) Program. However, the command did not review and forward copies of Memorandums of Understanding

to their Division annually; did not receive AF training from the Division AF Coordinator at least once a year; and did not provide AF training to Area supervisors, officers, and affected non-uniformed personnel at least once a year.

This audit revealed the command has adequate operations, nevertheless issues were discovered, which if left unchecked could have a negative impact on the command and CHP operations. These issues should be addressed by management to maintain the command's compliance with appropriate law, regulations, policies, and procedures. The issues and appropriate recommendations are presented in this report.

As a result of changing conditions and the degree of compliance with policies and procedures, the efficiency and effectiveness of operations change over time. Specific limitations may hinder the efficiency and effectiveness of an otherwise adequate operation including but not limited to, resource constraints, faulty judgments, unintentional errors, circumvention by collusion, fraud, and management overrides. Establishing compliant and safe operations and sound internal controls would prevent or reduce these limitations; moreover, an audit may not always detect these limitations.



# FINDINGS AND RECOMMENDATIONS

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## **DRIVING UNDER THE INFLUENCE (DUI) COST RECOVERY PROGRAM**

**FINDING 1:**           **The command did not always properly complete their DUI Cost Recovery Program documents.**

**Condition:**           From January 1, 2008 to June 30, 2009, the command generated 80 CHP 735, Incident Response Reimbursement Statements, forms. Forty-four DUI Cost Recovery billing packages were randomly selected for testing. Based on the review of 44 billing packages, the following was identified:

- Forty-two (95 percent) billing packages revealed the offender's court case numbers were not recorded on the CHP 415, Daily Field Record, forms and in two instances the offender's court case numbers were not consistently recorded on the CHP 415 forms used to prepare the billing package;
- Eight (18 percent) billing packages revealed the offender's names were not listed on the CHP 415 forms and in 23 instances the offender's names were not consistently listed on the CHP 415 forms used to prepare the billing package;
- All billing packages revealed the hours billed on the CHP 735 forms agreed with the appropriate CHP 415 forms;
- All CHP 735 forms were properly completed.

**Criteria:**           Government Code Section 13403(a)(6) articulates one of the elements of a satisfactory system of internal accounting and administrative control is an effective system of internal review.

Highway Patrol Manual (HPM) 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, paragraph 4.e.(2)(c)1 states:

“1 Offender's name and court case number shall be included on the CHP 415, Daily Field Record.”

**Recommendation:**   The command should include the offender's name and court case number on the CHP 415 forms.

## **ASSET FORFEITURE PROGRAM**

**FINDING 1:**           **The command did not always review and forward copies of Memorandums of Understanding (MOUs) to their Division annually.**

**Condition:**           Based on a review of the command's MOUs, the command maintained a 2008 MOU with the Ukiah Police Department (PD), Fort Bragg PD, Willits PD, and Bureau of Narcotics Enforcement. The MOUs were properly completed and signed with all law enforcement allied agencies; however, there is no evidence the MOUs were reviewed and forwarded to their Division Asset Forfeiture Coordinator (AFC) in 2009. Additionally, the command maintains a 2006 MOU with the Humboldt County Sheriff's Department. This MOU was properly completed and signed with the law enforcement allied agency; however, there is no evidence the MOU was reviewed and forwarded to their Division AFC in 2007, 2008 or 2009.

**Criteria:**           HPM 81.5, Drug Programs Manual, Chapter 2, Asset Forfeiture Program, paragraph 4.b. states:

                          "b. Annual Review. Area AFCs shall review their respective MOUs annually in order to ensure the agreements are current. Area AFCs shall forward copies of renewed MOUs to their Division no later than February 1 of each year."

**Recommendation:**   The command should review and forward copies of MOUs to their Division annually.

**FINDING 2:**           **The command did not receive Asset Forfeiture (AF) training from the Division AFC at least once a year.**

**Condition:**           The command did not receive AF training from the Division AFC at least once a year. The last training the Area AFC received was in March 2008 from the California District Attorneys' Association.

**Criteria:**           HPM 81.5, Drug Programs Manual, Chapter 2, Drug Programs Manual, paragraph 21.a. states:

                          "a. In order to ensure uniformity throughout the Department, Division AFCs shall receive annual training from the departmental AFC coordinator in FSS. The training will encompass asset forfeiture laws, pending state and/or federal legislation relating to asset forfeiture, departmental policies, and procedures. Division AFCs will in turn provide annual training to Area AFCs, uniformed employees assigned to NTFs, canine handlers, and affected non-uniformed employees involved with asset forfeiture. The training shall be of sufficient duration to ensure full understanding of legal/policy requirements. In addition, Division AFCs should attend Division Area Commanders' Conferences as necessary to provide

commanders with an overview of the Department's AFP and any related new legislation or updates to departmental policy."

**Recommendation:** The command should receive AF training from the Division AFC at least once a year.

**FINDING 3:** **The command did not provide AF training to Area supervisors, officers, and affected non-uniformed personnel at least once a year.**

**Condition:** The command did not provide AF training to affected personnel at least once a year.

**Criteria:** HPM 81.5, Drug Programs Manual, Chapter 2, Asset Forfeiture Program, paragraph 21.b. states:

"b. Area AFCs shall provide training for Area supervisor, officers, and affected non-uniformed personnel at least once a year. Area AFCs shall ensure officers are made aware of local MOUs with allied agencies/NTFs regarding turnover of arrests for controlled substance violations and are familiar with the legal requirements and departmental policies/procedures related to the seizure of assets."

**Recommendation:** The command should provide AF training to supervisors, officers, and affected personnel at least once a year.

## CONCLUSION

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Based on the review of the command's operation, this audit revealed the command has adequate operations. However, some issues were observed. This report presents suggestions for management to improve on some of its operations. In doing so, operations would be strengthened and the command would operate in accordance with departmental policies and procedures.

# **ANNEX**

## **A**

## Memorandum

Date: July 16, 2010

To: Office of Inspections

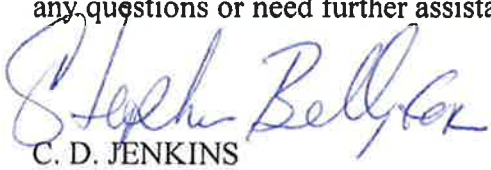
From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**  
Northern Division

File No.: 101.11279

Subject: RESPONSE MEMORANDUM - GARBERVILLE AREA

As requested, Garberville Area prepared the attached response memorandum to the DUI Cost Recovery Program and Asset Forfeiture Program audit, which was conducted by the Office of Inspections in August 2009. Garberville Area agreed with all four of the discrepancies noted by your office and has taken appropriate action to correct them.

Northern Division concurs with Garberville Area's response and respective corrective actions. Please contact Northern Division Lieutenant Todd Morrison at (530) 225-2715, should you have any questions or need further assistance.



C. D. JENKINS  
Chief

Attachment

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# **ANNEX**

## **B**

**M e m o r a n d u m**

Date: June 10, 2010

To: Northern Division

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**  
Garberville Area

File No.: 126.11809

Subject: RESPONSE TO THE DUI COST RECOVERY PROGRAM AND ASSET  
FORFEITURE PROGRAM AUDIT FROM AUGUST 2009

This memorandum serves as Garberville's response to the DUI Cost Recovery Program and Asset Forfeiture Program.

**FINDINGS REQUIRING FOLLOW-UP DUI COST RECOVERY PROGRAM:**

**Finding 1 – Agree.** The command did not always properly complete their DUI Cost Recovery Program documents. Specifically, the case numbers were not recorded on the CHP 415's and the offender's name was inconsistently recorded on the CHP 415's.

- The Garberville Area is now providing the case number and the offender's names on the CHP 415.

**FINDINGS REQUIRING FOLLOW-UP ASSET FORFEITURE PROGRAM:**

**Finding 1 – Agree.** The command did not always review and forward copies of the MOU's to their Division annually.

- The Garberville Area is now documenting that the MOU has been reviewed and will provide Northern Division with copies of Asset Forfeiture MOU's before February 1<sup>st</sup> of each year.

**Finding 2 – Agree.** The command did not receive Asset Forfeiture training from the Division Asset Forfeiture Coordinator in 2009.

- Garberville Area will document annual Asset Forfeiture training received. The Garberville Asset Forfeiture Coordinator is one of the instructors for Asset Forfeiture training for Northern Division.

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**Finding 3 – Agree.** The command did not provide Asset Forfeiture Training to Area supervisors, officers, and affected non-uniformed personnel at least once a year.

- Garberville will properly document annual Asset Forfeiture training received by Area supervisors, officers, and affected non-uniformed personnel once a year.

Should you have any questions, please feel free to contact me at (707) 923-2155.



A. E. JAGER, Lieutenant  
Commander